

THE NATOMAS BASIN CONSERVANCY DOCUMENT RETENTION AND DESTRUCTION POLICY

Purpose

This policy provides for the systematic review, retention and destruction of documents received or created by the Natomas Basin Conservancy (Conservancy) in connection with the transaction of organization business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate the Conservancy's operations by promoting efficiency and freeing up valuable storage space.

Document Retention

The Conservancy follows the document retention procedures outlined below. Documents that are not listed but are substantially similar to those listed in the schedule will be retained for the appropriate length of time.

Because of its role as the "Plan Operator" of the Natomas Basin Habitat Conservation Plan (NBHCP) and the Metro Air Park Habitat Conservation Plan (MAPHCP), the Conservancy has accepted certain archive and records retention obligations that may extend the length of time that certain documents are held (see NBHCP, Section VI.F.3). In some cases, this means for the 50-year life of the NBHCP. This includes, but is not limited to, biological and species monitoring data, the Annual Implementation Report and the information and data which supports it, geographic information system data and other information which assists in determining the success of implementing the NBHCP and MAPHCP. The Conservancy will be alert to such supplemental document and records retention requirements, and consider the retention schedule stated in this policy as a minimum length of time to retain documents and records, and allow document preservation for extended periods as deemed necessary given the demands and adaptations that occur from time-to-time with the NBHCP and MAPHCP.

| Corporate Retention Schedule | Retention Period (minimum) |
|---|----------------------------|
| | |
| Corporate Records | |
| Annual Reports to Secretary of State / Attorney General | Permanent |
| Articles of Incorporation | Permanent |
| Board Meeting and Board Committee Minutes | Permanent |
| Board Policies/Resolutions | Permanent |
| By-laws | Permanent |
| Construction Documents | Permanent |
| Fixed Asset Records | Permanent |
| IRS Application for Tax-Exempt Status (Form 1023) | Permanent |
| IRS Determination Letter | Permanent |

Adopted by the Conservancy Board of Directors on December 3, 2008.

Conservancy Board of Directors Approved Revisions: June 1, 2011, October 5, 2016, August 7, 2019, [December 7, 2022](#).

| Corporate Retention Schedule | Retention Period (minimum) |
|---|-----------------------------------|
| California Application for Tax-Exempt Status | Permanent |
| California Determination Letter | Permanent |
| Correspondence (legal and important matters) | Permanent |
| Licenses and Permits | Permanent |
| Accounting and Corporate Tax Records | |
| Annual Audits and Financial Statements (including budget) | Permanent |
| Depreciation Schedules | Permanent |
| General Ledgers | Permanent |
| IRS Form 990 Tax Returns | Permanent |
| NBHCP Finance Model (including budget) | Permanent |
| IRS Form 1099s | Permanent |
| California Tax-Form 199 Returns | 12 years |
| California Tax Records | 12 years |
| Business Expense Records | 10 years |
| Journal Entries | 10 years |
| Invoices | 10 years |
| Cash Receipts | 10 years |
| Credit Card Receipts | 10 years |
| Contracts (after expiration) | 10 years |
| Request for Proposal-all submissions (after bid due date) | 5 years |
| California Sales and Use Tax Returns (UBIT) | 5 years |
| Correspondence (general) | 4 years |
| Bank Records | |
| Check Registers | Permanent |
| Electronic Fund Transfer Documents | Permanent |
| Bank Deposit Slip | 10 years |
| Bank Statements and Reconciliation | 10 years |
| Payroll and Employment Tax Records | |
| Payroll Registers | Permanent |

| Corporate Retention Schedule | Retention Period (minimum) |
|--|---|
| Payroll Tax <u>R</u> eturns | 10 years |
| State Unemployment Tax Records | 4 years |
| Individual Wage Records | 10 years |
| Garnishment Records | 10 years |
| W-2 Statements (after due date or date filed) | 10 years |
| Employee Records | |
| Retirement Plan Documents | Permanent |
| Employee Performance Reviews | 7 years after termination |
| Records relating to Promotion, Demotion or Discharge | 7 years after termination |
| Employment and Termination Agreement | 4 years |
| Employment Applications and Resumes | 3 years |
| Time Cards | 3 years after termination |
| <u>IRS Form</u> W-4 | 3 years after due date |
| <u>I-9 USCIS</u> Forms <u>I-9</u> | 3 years after date of hire; if employed more than 3 years then 1 year after termination |
| Donor/Grant Records | |
| Restricted Endowment Funds & Donor Advised Funds | Permanent |
| Donor Records and Acknowledgement Letters | 10 years |
| Grant Applications and Contracts | 7 years after completion |
| Legal, Insurance and Safety Records | |
| Appraisals | Permanent |
| Environmental Studies | Permanent |
| Insurance Policies | Permanent |
| Real Estate Documents | Permanent |
| Stock and Bond Records | Permanent |
| Employee Accident Reports and Insurance Claims | Permanent |
| Worker's Compensation Records | Permanent |
| Leases | 10 years after expiration |
| General Contracts | 10 years after termination |
| Litigation Documents | 7 years after termination of matter |

Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule, will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

Emergency Planning

The Conservancy's records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping the Conservancy operating in an emergency will be duplicated or backed up at least every week and maintained off site.

Document Destruction

The Conservancy's [Chief Financial Officer/Contracts & Compliance Manager](#) is responsible for the ongoing process of identifying records which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Exception for Documents Relevant to Litigation

Document destruction will be suspended immediately (a) upon any indication of an official investigation or (b) when a lawsuit is filed or appears imminent and an officer, director, or employee believes, or is informed that the Conservancy's records are relevant to such litigation or potential litigation. This exception supersedes any other established destruction schedule for records, including those set forth in this Policy. Document destruction will be reinstated upon conclusion of the investigation or litigation or upon determination that preserved documents are no longer needed for potential litigation.

Press Releases/Public Filings

Copies of all press releases and publicly filed documents should be retained permanently under the theory that the Conservancy should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the Conservancy.

Compliance

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against the Conservancy and its employees and possible disciplinary action against responsible individuals. The Chief Financial Officer and [Finance Committee Chair](#) will periodically review these procedures with legal counsel or the organization's certified public accountant to ensure that they are in compliance with new or revised regulations.

Note: Accounting records prior to 2005 are held by the City of Sacramento and subject to the City of Sacramento's records policy.